

March 27, 1979

LB 460

CLERK: 25 ayes, 2 nays, Mr. President.

SPEAKER MARVEL: The motion is adopted and the amendment is approved. Senator Simon.

SENATOR SIMON: Now, Mr. President, we can discuss the merits of the bill. LB 460 again, for those people that are now coming in on the floor, is permissive legislation which would allow the local utility company, if they so choose, to provide for a rate to consumers and I need to clarify something to Senator Keyes and anybody else that might have some misconceptions. This does not apply merely to senior citizens or merely to low income. It would provide for everybody because I think it is unconstitutional to provide lifeline legislation, permissive or not, merely for a certain class. So this would be for all consumers. It would allow the utility company to provide that at a lower rate than they currently are now. Now the justification behind this I think is a very simple one. When you take a look at the whole concept of declining block rate and I tried to keep this simple but I think many people here do understand declining block rate, the more you use the less you pay. For the first so many kilowatts you pay the highest price and then as you use more it keeps going down. Just like going down steps, and finally if you use an exorbitant amount, if you are up to three, four thousand, five thousand kilowatt hours, you are being charged a very small amount for the cost of electricity. Now that type of philosophy certainly does not promote energy conservation and energy conservation is a subject which certainly should be near and dear to all of us. We have discussed on this floor a number of times. This bill again would merely allow the local officials at the local level who are publicly elected to make that determination whether or not they would like to provide a lower rate than they currently do to consumers because consumers pay the highest rate. They pay the highest rate. Even the man or woman who uses five hundred of seven hundred kilowatt hours a month pays a much higher rate proportionately than a big plant that is using ten or fifteen times more than he or she is. That to me, certainly does not appear to be logical but rather than mandate that they do that, the utilities have said even if they want to implement this we cannot. This was said in the public hearings. We have provided that flexibility. Now there are utilities in Nebraska, there is at least one utility that has implemented lifeline rates right now and I guess that we feel that as long as those people, the elected officials